



1 separately and apart from other moneys invested by the  
2 Treasurer. The Treasurer may make investments from the  
3 Account that help attract, assist, and retain quality  
4 technology businesses in Illinois. The earnings on the  
5 Account shall be accounted for separately from other  
6 investments made by the Treasurer.

7 (b) Moneys in the Account may be invested by the State  
8 Treasurer to provide venture capital to technology businesses  
9 seeking to locate, expand, or remain in Illinois by placing  
10 money with Illinois venture capital firms for investment by  
11 the venture capital firms in technology businesses. "Venture  
12 capital", as used in this Act, means equity financing that is  
13 provided for starting up, expanding, or relocating a company,  
14 or related purposes such as financing for seed capital,  
15 research and development, introduction of a product or  
16 process into the marketplace, or similar needs requiring risk  
17 capital. "Technology business", as used in this Act, means a  
18 company that has as its principal function the providing of  
19 services including computer, information transfer,  
20 communication, distribution, processing, administrative,  
21 laboratory, experimental, developmental, technical, testing  
22 services, manufacture of goods or materials, the processing  
23 of goods or materials by physical or chemical change,  
24 computer related activities, robotics, biological or  
25 pharmaceutical industrial activity, or technology oriented or  
26 emerging industrial activity. "Illinois venture capital  
27 firms", as used in this Act, means an entity that has a  
28 majority of its employees in Illinois or that has at least  
29 one managing partner domiciled in Illinois that has made  
30 significant capital investments in Illinois companies and  
31 that provides equity financing for starting up or expanding a  
32 company, or related purposes such as financing for seed  
33 capital, research and development, introduction of a product  
34 or process into the marketplace, or similar needs requiring

1 risk capital.

2 (c) Any fund created by an Illinois venture capital firm  
3 in which the State Treasurer places money pursuant to this  
4 Act shall be required by the State Treasurer to seek  
5 investments in technology businesses seeking to locate,  
6 expand, or remain in Illinois.

7 (d) The investment of the State Treasurer in any fund  
8 created by an Illinois venture capital firm in which the  
9 State Treasurer places money pursuant to this Act shall not  
10 exceed 10% of the total investments in the fund.

11 (e) The State Treasurer shall not invest more than  
12 one-third of the Technology Development Account in any given  
13 calendar year.

14 Section 15. Rules. The State Treasurer may promulgate  
15 rules to implement this Act.

16 Section 90. The Deposit of State Moneys Act is amended  
17 by changing Section 22.5 as follows:

18 (15 ILCS 520/22.5) (from Ch. 130, par. 41a)

19 Sec. 22.5. The State Treasurer may, with the approval of  
20 the Governor, invest and reinvest any State money in the  
21 treasury which is not needed for current expenditures due or  
22 about to become due, in obligations of the United States  
23 government or its agencies or of National Mortgage  
24 Associations established by or under the National Housing  
25 Act, 1201 U.S.C. 1701 et seq., or in mortgage participation  
26 certificates representing undivided interests in specified,  
27 first-lien conventional residential Illinois mortgages that  
28 are underwritten, insured, guaranteed, or purchased by the  
29 Federal Home Loan Mortgage Corporation or in Affordable  
30 Housing Program Trust Fund Bonds or Notes as defined in and  
31 issued pursuant to the Illinois Housing Development Act. All

1 such obligations shall be considered as cash and may be  
2 delivered over as cash by a State Treasurer to his successor.

3 The State Treasurer may, with the approval of the  
4 Governor, purchase any state bonds with any money in the  
5 State Treasury that has been set aside and held for the  
6 payment of the principal of and interest on the bonds. The  
7 bonds shall be considered as cash and may be delivered over  
8 as cash by the State Treasurer to his successor.

9 The State Treasurer may, with the approval of the  
10 Governor, invest or reinvest any State money in the treasury  
11 that is not needed for current expenditure due or about to  
12 become due, or any money in the State Treasury that has been  
13 set aside and held for the payment of the principal of and  
14 the interest on any State bonds, in shares, withdrawable  
15 accounts, and investment certificates of savings and building  
16 and loan associations, incorporated under the laws of this  
17 State or any other state or under the laws of the United  
18 States; provided, however, that investments may be made only  
19 in those savings and loan or building and loan associations  
20 the shares and withdrawable accounts or other forms of  
21 investment securities of which are insured by the Federal  
22 Deposit Insurance Corporation.

23 The State Treasurer may not invest State money in any  
24 savings and loan or building and loan association unless a  
25 commitment by the savings and loan (or building and loan)  
26 association, executed by the president or chief executive  
27 officer of that association, is submitted in the following  
28 form:

29 The ..... Savings and Loan (or Building  
30 and Loan) Association pledges not to reject arbitrarily  
31 mortgage loans for residential properties within any  
32 specific part of the community served by the savings and  
33 loan (or building and loan) association because of the  
34 location of the property. The savings and loan (or

1 building and loan) association also pledges to make loans  
2 available on low and moderate income residential property  
3 throughout the community within the limits of its legal  
4 restrictions and prudent financial practices.

5 The State Treasurer may, with the approval of the  
6 Governor, invest or reinvest, at a price not to exceed par,  
7 any State money in the treasury that is not needed for  
8 current expenditures due or about to become due, or any money  
9 in the State Treasury that has been set aside and held for  
10 the payment of the principal of and interest on any State  
11 bonds, in bonds issued by counties or municipal corporations  
12 of the State of Illinois.

13 The State Treasurer may, with the approval of the  
14 Governor, invest or reinvest any State money in the Treasury  
15 which is not needed for current expenditure, due or about to  
16 become due, or any money in the State Treasury which has been  
17 set aside and held for the payment of the principal of and  
18 the interest on any State bonds, in participations in loans,  
19 the principal of which participation is fully guaranteed by  
20 an agency or instrumentality of the United States government;  
21 provided, however, that such loan participations are  
22 represented by certificates issued only by banks which are  
23 incorporated under the laws of this State or any other state  
24 or under the laws of the United States, and such banks, but  
25 not the loan participation certificates, are insured by the  
26 Federal Deposit Insurance Corporation.

27 The State Treasurer may, with the approval of the  
28 Governor, invest or reinvest any State money in the Treasury  
29 that is not needed for current expenditure, due or about to  
30 become due, or any money in the State Treasury that has been  
31 set aside and held for the payment of the principal of and  
32 the interest on any State bonds, in any of the following:

- 33 (1) Bonds, notes, certificates of indebtedness,  
34 Treasury bills, or other securities now or hereafter

1 issued that are guaranteed by the full faith and credit  
2 of the United States of America as to principal and  
3 interest.

4 (2) Bonds, notes, debentures, or other similar  
5 obligations of the United States of America, its  
6 agencies, and instrumentalities.

7 (3) Interest-bearing savings accounts,  
8 interest-bearing certificates of deposit,  
9 interest-bearing time deposits, or any other investments  
10 constituting direct obligations of any bank as defined by  
11 the Illinois Banking Act.

12 (4) Interest-bearing accounts, certificates of  
13 deposit, or any other investments constituting direct  
14 obligations of any savings and loan associations  
15 incorporated under the laws of this State or any other  
16 state or under the laws of the United States.

17 (5) Dividend-bearing share accounts, share  
18 certificate accounts, or class of share accounts of a  
19 credit union chartered under the laws of this State or  
20 the laws of the United States; provided, however, the  
21 principal office of the credit union must be located  
22 within the State of Illinois.

23 (6) Bankers' acceptances of banks whose senior  
24 obligations are rated in the top 2 rating categories by 2  
25 national rating agencies and maintain that rating during  
26 the term of the investment.

27 (7) Short-term obligations of corporations  
28 organized in the United States with assets exceeding  
29 \$500,000,000 if (i) the obligations are rated at the time  
30 of purchase at one of the 3 highest classifications  
31 established by at least 2 standard rating services and  
32 mature not later than 180 days from the date of purchase,  
33 (ii) the purchases do not exceed 10% of the corporation's  
34 outstanding obligations, and (iii) no more than one-third

1 of the public agency's funds are invested in short-term  
2 obligations of corporations.

3 (8) Money market mutual funds registered under the  
4 Investment Company Act of 1940, provided that the  
5 portfolio of the money market mutual fund is limited to  
6 obligations described in this Section and to agreements  
7 to repurchase such obligations.

8 (9) The Public Treasurers' Investment Pool created  
9 under Section 17 of the State Treasurer Act or in a fund  
10 managed, operated, and administered by a bank.

11 (10) Repurchase agreements of government securities  
12 having the meaning set out in the Government Securities  
13 Act of 1986 subject to the provisions of that Act and the  
14 regulations issued thereunder.

15 (11) Investments made in accordance with the  
16 Technology Development Act.

17 For purposes of this Section, "agencies" of the United  
18 States Government includes:

19 (i) the federal land banks, federal intermediate  
20 credit banks, banks for cooperatives, federal farm credit  
21 banks, or any other entity authorized to issue debt  
22 obligations under the Farm Credit Act of 1971 (12 U.S.C.  
23 2001 et seq.) and Acts amendatory thereto;

24 (ii) the federal home loan banks and the federal  
25 home loan mortgage corporation;

26 (iii) the Commodity Credit Corporation; and

27 (iv) any other agency created by Act of Congress.

28 The Treasurer may, with the approval of the Governor,  
29 lend any securities acquired under this Act. However,  
30 securities may be lent under this Section only in accordance  
31 with Federal Financial Institution Examination Council  
32 guidelines and only if the securities are collateralized at a  
33 level sufficient to assure the safety of the securities,  
34 taking into account market value fluctuation. The securities

1 may be collateralized by cash or collateral acceptable under  
2 Sections 11 and 11.1.

3 (Source: P.A. 90-655, eff. 7-30-98.)

4 Section 99. Effective date. This Act takes effect upon  
5 becoming law."